

1 DAVID J. VAN HAVERMAAT (Cal. Bar No. 175761)
Email: vanhavermaatd@sec.gov

2 Attorneys for Plaintiff
3 Securities and Exchange Commission
Michele Wein Layne, Regional Director
4 John W. Berry, Associate Regional Director
444 S. Flower Street, Suite 900
5 Los Angeles, California 90071
Telephone: (323) 965-3998
6 Facsimile: (213) 443-1904

7
8 **UNITED STATES DISTRICT COURT**
9 **DISTRICT OF NEVADA**

10 SECURITIES AND EXCHANGE
11 COMMISSION,

12 Plaintiff,

13 vs.

14 GLOBAL EXPRESS CAPITAL REAL
ESTATE INVESTMENT FUND I, LLC;
15 GLOBAL EXPRESS CAPITAL
MORTGAGE CORP.; GLOBAL
16 EXPRESS SECURITIES, INC.;
CONNIE S. FARRIS; and DAWN M.
17 REESE,

18 Defendants.

Case No. CV-S-03-1514-KJD-(LRL)

FINAL JUDGMENT
AS TO DEFENDANT DAWN M.
REESE

1 Plaintiff Securities and Exchange Commission (“SEC” or “Commission”)
2 having filed a Complaint and Defendant Dawn M. Reese (“Defendant”) having
3 entered a general appearance; consented to the Court’s jurisdiction over Defendant
4 and the subject matter of this action; consented to entry of this Final Judgment;
5 waived findings of fact and conclusions of law; and waived any right to appeal
6 from this Final Judgment:
7

8 **I.**

9 IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant
10 is permanently restrained and enjoined from violating, directly or indirectly,
11 Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C.
12 § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by
13 using any means or instrumentality of interstate commerce, or of the mails, or of
14 any facility of any national securities exchange, in connection with the purchase or
15 sale of any security:

16 (a) to employ any device, scheme, or artifice to defraud;

17 (b) to make any untrue statement of a material fact or to omit to state a
18 material fact necessary in order to make the statements made, in the light of the
19 circumstances under which they were made, not misleading; or

20 (c) to engage in any act, practice, or course of business which operates or
21 would operate as a fraud or deceit upon any person.

22 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
23 that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing
24 paragraph also binds the following who receive actual notice of this Final
25 Judgment by personal service or otherwise: (a) Defendant’s officers, agents,
26

1 servants, employees, and attorneys; and (b) other persons in active concert or
2 participation with Defendant or with anyone described in (a).

3 **II.**

4 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
5 that Defendant is permanently restrained and enjoined from violating Section 17(a)
6 of the Securities Act of 1933 (“Securities Act”) [15 U.S.C. § 77q(a)] in the offer or
7 sale of any security by the use of any means or instruments of transportation or
8 communication in interstate commerce or by use of the mails, directly or
9 indirectly:

10 (a) to employ any device, scheme, or artifice to defraud;

11 (b) to obtain money or property by means of any untrue statement of a
12 material fact or any omission of a material fact necessary in order to make the
13 statements made, in light of the circumstances under which they were made, not
14 misleading; or

15 (c) to engage in any transaction, practice, or course of business which
16 operates or would operate as a fraud or deceit upon the purchaser.

17 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
18 that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing
19 paragraph also binds the following who receive actual notice of this Final
20 Judgment by personal service or otherwise: (a) Defendant’s officers, agents,
21 servants, employees, and attorneys; and (b) other persons in active concert or
22 participation with Defendant or with anyone described in (a).

23 **III.**

24 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
25 that Defendant is liable for disgorgement of \$23,232,411, representing profits
26 gained as a result of the conduct alleged in the Complaint, together with

1 prejudgment interest thereon. Based on Defendant's sworn representations in her
2 Statement of Financial Condition dated May 10, 2016, and other documents and
3 information submitted to the SEC, however, the Court is not ordering Defendant to
4 pay a civil penalty and payment of the disgorgement and pre-judgment interest
5 thereon is waived. The determination not to impose a civil penalty and to waive
6 payment of the disgorgement and pre-judgment interest is contingent upon the
7 accuracy and completeness of Defendant's Statement of Financial Condition. If at
8 any time following the entry of this Final Judgment the SEC obtains information
9 indicating that Defendant's representations to the SEC concerning her assets,
10 income, liabilities, or net worth were fraudulent, misleading, inaccurate, or
11 incomplete in any material respect as of the time such representations were made,
12 the SEC may, at its sole discretion and without prior notice to Defendant, petition
13 the Court for an order requiring Defendant to pay the unpaid portion of the
14 disgorgement, pre-judgment and post-judgment interest thereon, and the maximum
15 civil penalty allowable under the law. In connection with any such petition, the
16 only issue shall be whether the financial information provided by Defendant was
17 fraudulent, misleading, inaccurate, or incomplete in any material respect as of the
18 time such representations were made. In its petition, the SEC may move this Court
19 to consider all available remedies, including, but not limited to, ordering Defendant
20 to pay funds or assets, directing the forfeiture of any assets, or sanctions for
21 contempt of this Final Judgment. The SEC may also request additional discovery.
22 Defendant may not, by way of defense to such petition: (1) challenge the validity
23 of the Consent or this Final Judgment; (2) contest the allegations in the Complaint
24 filed by the SEC; (3) assert that payment of disgorgement, pre-judgment and post-
25 judgment interest or a civil penalty should not be ordered; (4) contest the amount
26 of disgorgement and pre-judgment and post-judgment interest; (5) contest the

1 imposition of the maximum civil penalty allowable under the law; or (6) assert any
2 defense to liability or remedy, including, but not limited to, any statute of
3 limitations defense. Defendant shall also pay post-judgment interest on any
4 delinquent amounts pursuant to 28 U.S.C. § 1961.

5 **VI.**

6 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
7 that the Consent of Defendant Dawn M. Reese to Entry of Final Judgment is
8 incorporated herein with the same force and effect as if fully set forth herein, and
9 that Defendant shall comply with all of the undertakings and agreements set forth
10 therein.


11 **VII.**

12 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED
13 that this Court shall retain jurisdiction of this matter for the purposes of enforcing
14 the terms of this Final Judgment.

15 **VIII.**

16 There being no just reason for delay, pursuant to Rule 54(b) of the Federal
17 Rules of Civil Procedure, the Clerk is ordered to enter this Final Judgment
18 forthwith and without further notice.

19
20 Dated: - February 13, 2017 —

21 
22 HONORABLE KENT J. DAWSON
23 UNITED STATES DISTRICT JUDGE
24
25
26